RECHOGAN & HARTSON

2004 NOV, 30 AM 8: 59

T.R.AT.BOCIODOCROPIROOM

YARON DOR1 PARTNER (202) 637-5458 YDORI@HHLAW COM

November 24, 2004

PAID T.R.A.

Chk # 4060/4

Amount 25.00

Revd By 48

Date 11-29-04

555 THIRTEENTH STREET, NW WASHINGTON, DC 20004-1109 TEL (202) 637-5600

> FAX (202) 637-5910 WWW HHLAW COM

By $Federal\ Express$

Ms. Sharla Dillon Docket Manager Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

04-00410

RE: Joint Application of BT Group plc and Infonet Telecommunications Corporation for Approval to Transfer Control of Infonet Telecommunications Corporation to BT Group plc

Dear Ms. Dillon:

On behalf of BT Group plc and Infonet Telecommunications Corporation, enclosed please find one original plus twelve copies of the above-referenced filing, as well as a check in the amount of \$25.00 for the requisite filing fee.

Kindly address any correspondence regarding this filing to the undersigned Also, please date-stamp and return a copy of the filing to me in the enclosed Federal Express envelope.

Respectfully submitted,

Yaron Dori

Counsel for BT Group plc

Enclosures

Before the TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

Joint Petition of)	
BT Group plc)	
and)	N 1 + N7
Infonet Telecommunications Corporation) L	Oocket No
For Approval to Transfer Control and Certification of Infonet Telecommunications Corporation to BT Group plc))))	

JOINT PETITION

By this Joint Petition and pursuant to Tenn. Code Ann. § 65-4-113 (2003) and Tenn. Comp. R. & Regs. § 1220-4-2-.56 (2004), BT Group plc ("BT Group") and Infonet Telecommunications Corporation ("ITC," and, together with BT Group, the "Applicants") request the consent of the Tennessee Regulatory Authority (the "Authority") to the transfer of control of ITC from Infonet Services Corporation ("Infonet") to BT Group (the "Transaction").

I. APPLICANTS

A. BT Group plc

1. BT Group is a widely-held public corporation and holding company for an integrated group of businesses that provide information and communications technology ("ICT") services to large, multinational corporate customers throughout

the world. All of the businesses and assets of BT Group are held by a subsidiary of BT Group, British Telecommunications plc ("BT"), and BT's various subsidiaries. ¹

- 2. BT and it subsidiaries provide ICT solutions to customers in over 150 countries. The ICT services offered by BT and its subsidiaries include voice and Internet Protocol Virtual Private Networks ("IP VPNs"), consulting and systems integration, outsourcing, storage and security, applications management and hosting, multimedia contact and call centers offering features such as intelligent call routing, workforce management, and campaign and planning management, LAN/WAN services, infrastructure and utility applications, broadcast, satellite, telehousing, desktop and network equipment and software, and business transformation and change management services.
- 3. In Tennessee, BT Communications Sales LLC is the subsidiary through which BT is authorized to provide intrastate telecommunications services. BT Communications Sales LLC is a corporation organized under the laws of the State of Delaware, with its principal business office located at 11440 Commerce Park Drive, Reston, Virginia 20191. ² BT Communications Sales LLC holds authority to provide local and interexchange service in Tennessee. ³ Thus, the financial,

A copy of BT Group's most recent Annual Report and Form 20-F can be found at http://www.btplc.com/report/Report04/pdf/AnnualReport04.pdf.

² Copies of BT Communications Sales LLC's Articles of Incorporation and certificate of authority to transact business in Tennessee were provided to the Authority in connection with BT Communications Sales LLC's application for certification as a telecommunications carrier; thus, they are a matter of public record.

Tennessee Regulatory Authority Order in Case No. 99-00419, dated October 26, 1999.

managerial, and technical qualifications of BT Group to control a regulated provider of intrastate services in Tennessee are a matter of record before this Authority.

B. Infonet Telecommunications Corporation

- 4. ITC is a corporation organized under the laws of the State of Delaware, with its principal business office located at 2160 E. Grand Avenue, El Segundo, California 90245. ⁴ ITC is authorized to provide interexchange services on a pure resale basis in 37 states, including Tennessee, where ITC holds authority pursuant to Rule 1220-4-2-.57. ⁵
- 5. ITC is a subsidiary of Infonet, a leading provider of value added global services for nearly 3,000 multinational organizations. Infonet's operating affiliates provide customers with integrated communications solutions that optimize the complex relationship between enterprise applications and the global network.

 Infonet's offerings include value added network data services, Internet and intranet access, multimedia services, equipment leasing and maintenance, and software applications and consulting services. Infonet's services are accessible from more than 180 countries and Infonet provides local service support to customers in over 70 countries and territories. ⁶

Copies of ITC's Articles of Incorporation and certificate of authority to transact business in Tennessee were provided to the Authority in connection with ITC's application for certification as a telecommunications carrier; thus, they are a matter of public record.

Tennessee Regulatory Authority Order in re Case Number 02-01241, dated February 18, 2003.

A copy of Infonet's most recent Annual Report and Form 10-K can be found at http://investor.infonet.com/images/INFONETSERVICES10K 2004.pdf.

II. CONTACT INFORMATION

6. For the purposes of this Petition, contacts for the Applicants are as follows:

For BT Group	For ITC:	
Joel S. Winnik	Karen Brinkmann	
Yaron Dori	Jeffrey A. Marks	
Hogan & Hartson L.L.P.	Latham & Watkins LLP	
555 13th Street N.W.	555 11th Street, N.W., Suite 1000	
Washington, D.C. 20004-1109	Washington, D.C. 20004	
Phone: (202) 637-5600	Phone: (202) 637-2200	
Fax: (202) 637-5910	Fax: (202) 637-2201	
E-mail: <u>jswinnik@hhlaw.com</u>	E-mail: karen.brinkmann@lw.com	
ydorı@hhlaw.com	<u>jeffrey.marks@lw.com</u>	
With a copy to:	With a copy to:	
A. Sheba Chacko	Steven L. Mashal	
Chief Regulatory Counsel, The Americas	Assistant Secretary	
BT Global Services	Infonet Telecommunications Corporation	
11440 Commerce Park Drive	2160 E. Grand Avenue	
Reston, Virginia 20191	El Segundo, California 90245	
Phone: (703) 755-6730	Phone: (310) 335-2600	
Fax: (703) 755-6740	Fax: (310) 414-5906	
E-mail: sheba.chacko@BT.com	E-mail: steven mashal@infonet.com	

III. DESCRIPTION OF THE TRANSACTION

7. On November 8, 2004, BT, on behalf of BT Group, and Infonet, the corporate parent of ITC, entered into an agreement and plan of merger pursuant to which BT has agreed to acquire all of the outstanding shares of capital stock of Infonet in exchange for \$2.06 cash per share. To effectuate the Transaction, a newly created, wholly owned subsidiary of BT Group ("Blue Acquisition Corp.") will be merged with Infonet, after which the separate corporate existence of Blue Acquisition Corp. shall cease and Infonet will emerge as the surviving corporation. Thus, as a result of this Transaction, ITC will continue to be wholly owned by Infonet, but Infonet will become

an indirect wholly owned subsidiary of BT Group. The proposed Transaction thus will effect an indirect transfer of control of ITC to BT Group.

IV. PUBLIC INTEREST STATEMENT

8. The post-Transaction entity will better serve its multinational customers globally. The Transaction will generate efficiencies that will be of benefit to customers generally by reason of the highly competitive nature of the market. Furthermore, Infonet, which currently has multiple owners, will benefit from ownership by BT, one single shareholder, fully committed to being a leading competitor in the global communications services market.

V. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience and necessity would be furthered by a grant of this Petition.

Respectfully submitted,

BT GROUP PLC

Joef S. Wınnik Yaron Dorı

Hogan & Hartson L.L.P. 555 13th Street N.W.

Washington, D.C. 20004-1109

Phone: (202) 637-5600 Fax: (202) 637-5910

Its attorneys

Karen Brinkmann

CORPORATION

Jeffrey A. Marks

Latham & Watkins LLP

555 11th Street, N.W., Suite 1000

INFONET TELECOMMUNICATIONS

Washington, D.C. 20004 Phone: (202) 637-2200

Fax: (202) 637-2201

Its attorneys

Dated:

November <u>24</u> 2004